

Attached to this memorandum are country-by-country analyses of reactions to the CCNE, with recommendations as to US action. These were prepared by the appropriate desk officers.

### Reactions:

You have seen summaries of initial reactions. There are certain patterns which deserve flagging.

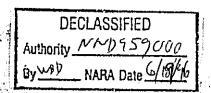
There was no panic. With the exception of the GRC, whose fortunes are most directly involved, most leaders and editors seem to have thought through the implications of a CCNE and to have decided they could live with them. Much credit should go the two-year-old US effort to prepare opinion for the event.

It is widely assumed that the Chicoms will have to be brought into the UN or at least that there will be great pressures in that direction. Even the friendly press shares this assumption.

A certain pride in an "Asian" explosion is reported from Indonesia, Malaysia and Cambodia. The lack of such a reaction elsewhere is heartening evidence of the degree to which even such governments as that of Burma see the world in terms of their own national identities, rather than as Asians. Nevertheless, there is probably a strong undercurrent of pride, at least among overseas Chinese communities everywhere, and this may be shared by host country nationals.

In divided countries, there is deep concern that the explosion will advance the fortunes of the Communist competitors. The GRC called upon us to re-examine our policies, and the press echoed the line. There was bitter criticism of our treaty relationship for "tieing the hands of Asia countries." One editorial even called the 1954 treaty a "good for nothing treaty." In part, this unusual wave of criticism of the US was probably intended to shift the blame to the US for a turn of fortune which makes military conquest of the mainland suddenly a much less credible dream. In part, the Generalissimo may be setting up his usual gambit: to convince upon this case before the 19th UNGA) that to diverge too sharply from GRC wishes might lead him to do something desperate.

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### Immediate actions:

- 1. Several commentators justified their unconcern by stressing the primitive nature of the explosion. This serves our purpose, as a first reaction. However, there will probably be an opinion swing on this matter, in any case, and I think it would be well if our friends were not too heavily stressing this line when the second bomb goes off, or a missile is successfully launched. In talking with diplomats, we have stressed the "token nature" of the nuclear force which the Chinese Communists are on the way to developing. We have suggested that some such force is to be expected in the not too distant future, but have argued that, as with the recent explosion, such a force would have more political and psychological uses than military. I suggest that we henceforth shift toward this line.
- 2. A recurrent theme is the need for the US to show firmness. President Johnson's statement, coupled with the standing instructions to our posts to forewarn us if specific assurances are needed, would seem to answer this problem for the moment. However, the linkage with South Viet-Nam is obvious. If things should start to slide there, fears would be generated around Southeast Asia which would bring out the latent fears generated by the CCNE. If another nuclear explosion should follow such a slide, we might see the panic which has so far been avoided. To protect the Thai, we should need to make a strong stand in the vicinity of the Mekong.
- 3. The need for further educational work in Korea and Malaysia has been mentioned. Would it be desirable to ask General Carter to extend his trip to cover those countries? The routine intelligence exchanges presumably are providing the Australians and New Zealanders with adequate information. General Carter is going to Manila, and presumably will be used to brief Macapagal if that proves politically practicable.
- 4. The Thai expect Sino-Soviet relations to improve, and think that this may increase pressures on Southeast Asia. In fact, the Soviet leadership may possibly be considering whether to take a somewhat stronger position on Southeast Asia, to reduce their vulnerability to intra-Communist ideological attack. If this should happen, fear might arise that the USSR has checkmated our pressures against the Chinese Communists. Should we consider moving to discourage the Soviets from taking such a stand?
- 5. There is considerable interest in moving to bringing the Chicoms into disarmament negotiations. Commentators generally assume that once they are brought in the disarmament talks can proceed in an orderly fashion toward a world without arms. With diplomats, we

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have already begun to play pretty heavily upon the evidence we have of Chinese Communists disinterest in real disarmament. Perhaps we should spread the word as to the Chinese Communist position, as to the enormous difficulties of disarmament, and as to the likelihood that bringing the Chinese Communists in would stalemate negotiations.

### Long-term problems:

- I need not delay with the Chirep question.
- The "polarization" question: In the Far East, the practical choice for most governments is whether to rely upon neutralism to protect themselves from the Chinese Communists, or to assure that their connections with the United States remain good enough to have assurance. of the US umbrella. The CCNE does not change this basic choice, but it dramatizes and clarifies it. It is to our advantage; in most cases, that the nations opt for the US umbrella. The other course offers the prospect that, over time, the ChiComs will use their superior strength to require the neutrals to tolerate domestic Communist parties, and thereby create the seeds for progressive subversion of the states. In some cases, such as Japan, where there already is a domestic debate on the subject, the lines will be explicitly drawn.

So far, we seem to have played this about right by making clear that we are willing to consider giving further protection, but not forcing such protection upon others. We should perhaps quietly continue to play the dangers of neutralism (as above), and we should perhaps weigh in this factor when making policy toward Asian states where the choice is in the balance. We do not wish to make reliance upon the United States so expensive or embarrassing as to suggest the desirability of opting for the other course.

In the specific case of Japan, we face the likelihood that the GRC will henceforth weigh less heavily in Japanese calculations, and the Chinese Communists more heavily. Both to assure that the Japanese continue to opt in the right direction, and to protect the continuing GRC-Japanese relations, we have reason to try to assure that the price for GRC friendship is not so high as to encourage the Japanese to foreswear it.

Clearance: EA - Mr. Fearey √

RA - Mr. Manhard SEA - Mr. Dexter

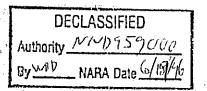
SPA - Mr. Cuthell

cc: M - Mr. White

S/WN - Mr. Corcoran

FF/ACA:LGrant:aw 10-23-64

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Reactions to ChiCom Nuclear Explosion

### REPUBLIC OF CHINA

President Chiang told our Ambassador that he thought the psychological reaction of Asian peoples to the CCNE would be enormous and far-reaching, that henceforth Asia would never be the same, and that, therefore, the United States and the GRC should work jointly for a "new colution". Chiang's "solution" was unspecified but our Embassy thinks he has in mind some dramatic action involving radical stiffening of U.S. policy toward Communist China. This was borne out by editorials, clearly officially inspired, which have renewed in unusually forceful terms the traditional GRC demand that the United States cease its "appeasement" of Peiping and provide assistance in logistics to a GRC counterattack on the mainland. For public consumption, Premier Yen told UPI October 19 that the CCNE would have "absolutely no effect on the GRC policy to recover the mainland".

### Recommendation for Action

- 1. We must be patient with the GRC's convulsive reaction to the GCNE and emphasize to them that their survival continues to depend on the overwhelming nuclear strength of the United States. Briefings of GRC leaders on relative nuclear capabilities are now taking place.
- 2. At a time when the GRC urgently needs reassurance of our support, we must avoid any action that would tend to create a crisis of confidence. Specifically, we should avoid a significant cut in military assistance; we conclude as generous a PL 480 agreement as possible for the next three years.
- 3. We should maintain close and constant consultation with the GRC during the tense period leading up to the Chirep vote in the General Assembly and should make a special effort to assure that the GRC retains confidence in the firmness of our support for its position in the UN.

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FE - Mr. Bundy

ACA - Lindsby Grant

Policy Implications of Far Eastern Reactions to CCNE - ADDENDUM

EA has suggested the addition of the following point to Immediate Courses of Action:

6. Because of its claim to be the Government of China the CCNE has hit the GRC especially hard. In the immediate future and until the GRC has adjusted to the thought that Peiping is beginning to emerge as a nuclear power, it will be necessary that we do nothing which could cause the GRC to question the steadfastness of our support of their international position. In particular, it will be important that we maintain the closest possible consultation with the GRC on the Chinese representation issue and that we reduce as much as we can the projected cut in our MAP on Taiwan.

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Reactions to ChiCom Nuclear Explosion

### REPUBLIC OF KOREA

Initial press comment was sober and restrained. While observing that a nuclear test was predicted some time ago and will have no military significance for some time to come, the Korean press notes that the explosion will do much for Chinese Communist prestige within the Communist world and among the neutrals. Linking this event with the new British Labor Party Government, which they believe will press for the admittance of Communist China to the United Nations, Korean press commentators believe that as a nuclear power Communist China's prospects for UN membership are much better. A major independent newspaper said this nuclear capability will provide Japan with a pretext for developing its own bomb and that it may also precipitate more positive US policies in the Far East, particularly regarding ROK-Japan relations. A Government-owned newspaper commented that the explosion will undoubtedly redound to the benefit of the North Korean regime, leading to a possible step-up in its drive for unification. Most papers called for a full assessment of the Korean position, pointing out that a new phase in the power relations in East Asia had begun. realistic, and flexible" policies were urged.

A spokesman for the Democratic-Republican Party said the test had been anticipated, but observed that as a result of the explosion the Korean nation should be alert to international developments and be prepared to deal with ROK-Japan relations and other problems with a fresh determination. An Opposition Party spokesman commented that by modernizing its weapons, Communist China will meance the security of Korea and that there must be an effort to remove the fear of nuclear weapons soon. Another spokesman said the major impact of this explosion will be on Communist China's relations with the United Nations.

# Recommendations for Further Action

Although the initial reaction in the Republic of Korea to the Chinese Communist nuclear explosion was "sober and restrained" and we presume that President Johnson's speech was fully reported in the Korean press, further actions are desirable because of the potential sensitivity of the Republic of Korea to the Chinese Communist nuclear threat.

We suggest that our Ambassador find early occasion to reiterate the assurances in President Johnson's speech of October 18.

We understand

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By MD NARA Date 6/19/16

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We understand that Lt. Gen. Marshall S. Carter, Deputy Director of the Central Intelligence Agency, is touring the Far East. We recommend that he visit Korea and brief the top Governmental and military leaders on the Chinese Communist nuclear explosion. General Carter has had military service in Korea, and knows many of the top leaders intimately. It should be expected that some elements of the briefing would become known publicly. It might be useful to have our Ambassador and General Carter issue public statements after their talks with Korean officials.

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Reactions to ChiCom Nuclear Explosion

### JAPAN

The Japanese have strongly protested the Chinese explosion of a nuclear device. Chief Cabinet Secretary Suzuki voiced strong GOJ criticism of the Chicom explosion, stating that the Chinese "ignored the earnest prayer of all mankind." Suzuki reiterated GOJ support for the Limited Test Ban Treaty and Japanese opposition to nuclear testing by any country. He referred to the U.S.-Japan Security Treaty as protecting Japan from the danger presented by the CCNE. The GOJ has declined to reply to Chou En-lai's letter proposing a complete ban of nuclear weapons, indicating that this Chinese proposal is inconsistent with the Chinese test. The GOJ has indicated that, before calling for a summit conference, the Chicoms should first become apparty to the Limited Test Ban Treaty and exert serious efforts to bring about a total ban on nuclear weapons.

Japanese political parties, except the Japan Communist Party, have denounced the CCNE in strong terms. Liberal Democratic Party (LDP) Secretary General Miki stressed the time lag between the first nuclear detonation and the development of a nuclear capability. The Japanese Socialist Party (JSP) reacted with particular outrage because the Chinese test coincided with the arrival in Peiping of a JSP mission headed by Secretary General Narita. First privately and later publicly, Narita denounced the Chinese action in forthright terms to Chinese Communist leaders. A major strand in JSP statements, however, is their opposition to possible attempts to make the CCNE a pretext for Japan's developing a nuclear arsenal.

The Japanese press has been even more strongly critical of the Chinese test than Government and party spokesmen. Press reports have dwelt on the amount of radioactivity reaching Japan, but editorial comment has explored the deeper significance of the CCNE. While accepting the view that a Chinese nuclear delivery capability is several years in the future, most papers do not regard Peiping's development of a nuclear device as a paper tiger. Some elements in the press guardedly advocate the view that the Chinese test gives justification for an intensified defense effort by Japan and even refer to, but do not accept, the argument that Japan also should begin to develop a nuclear defense capability.

### U.S. Actions

Japanese reactions to these events have been excellent from our point of view. Japanese assessment of, and reactions to, the Soviet leadership change are very close to our own. The immediate negative reaction in virtually all Japanese circles to the CCNE indicates that the Chinese Communists have seriously undercut their attempts to cultivate Japan.

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We have already briefed the Japanese on the CCNE. We should ensure that the Japanese continue to receive full and accurate information on subsequent developments, regarding both the CCNE and the changes in the Kremlin. For the present we do not believe additional US steps (Ray Cline is already scheduled to visit Tokyo) are required to influence Japanese public or official reactions to these events in our favor.

Reactions to ChiCom Nuclear Explosion

### THAILAND

Newspaper editors and government spokesmen in Bangkok have not "paniced" over the explosion of the Chinese Communist nuclear device. They have noted that the Chinese Communists will not possess a delivery system in the near future and that American nuclear power is far superior to that of the Chinese Communists. However, they have linked the Chinese Communist achievement with the ouster of Khrushchev and are concerned that the new Soviet leaders may attempt to settle the present dispute with the Chinese. The consequences of such a settlement, they fear, might be renewed Chinese aggressiveness in Southeast Asia which would clearly be dangerous for Thailand. Prime Minister Thanom has made this point publicly as have SEATO Secretary General Konthi and the Ministry of Foreign Affairs spokesman, Prince Wongmahip. Foreign Minister Thanat also touched on this point privately with Ambassador Martin but doubted if an attempt to settle the Sino-Soviet dispute would succeed. He has asked the Ambassador for a broad evaluation of the Soviet change in leadership. SOV is preparing a reply for dispatch today.

In the future, Thai ability to resist Chinese Communist pressure is more dependent on developments in nearby Southeast Asian countries and on Thai confidence in our determination to stay in Southeast Asia than on fear of Chinese nuclear rockets. The victorious arrival of the Pathet Lao on the banks of the Mekong without any resistance on our part would be more damaging to our relations than the development of a Chinese Communist nuclear force. The threat of an overt attack of this sort would be clearly covered by the Southeast Asia Collective Defense Treaty. Subversion and insurgency are not and are the more immediate danger.

Our policies and programs in Thailand should continue to be aimed at making clear our determination and ability to remain an effective force in that country and in Southeast Asia and to assist our friends in building up their countries to withstand the threat from the north.

FE:SEA:JLloyd, III

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Reactions to ChiCom Nuclear Explosion

### BURMA

RGUB and Official Press Silent. The RGUB has told our Embassy that, in the absence of Revolutionary Council Chairman General Ne Win who is in England, the Burmese government would say nothing on the Chinese Communist nuclear explosion. The government-owned press has also remained completely silent. Unofficially, the Foreign Office Permanent Secretary told our Embassy that he felt the major impact of the explosion would be to focus world attention on the greater necessity to reach international agreement before the Chinese develop a nuclear military capability. This attitude probably quite accurately represents the major reaction of Burmese officialdom.

Private Press and Public Reaction Guarded. Cautions about the line to take in the absence of official reaction, the Burmese private press has concentrated on expressing the hope that the Chinese will live up to their protestations that their bomb is purely defensive. The very limited private reaction received to date indicates that non-Communist Burmese are being equally cautious in commenting on the effect of the nuclear blast. The impact of the explosion was probably significantly reduced by: (1) the long psychological preparation both the Chinese and the other powers have made which meant that the Burmese accepted philosophically the inevitability of a Chinese nuclear explosion; (2) Secretary of State Rusk's late September announcement that a detonation was imminent; and (3) a general belief that it will be several years before the Chinese Communists have the capacity to deliver the bomb in large quantities at significant distances.

Potential Reaction to Come. The Burmese are distressed by proliferation of nuclear weapon capacity and by any nuclear device testing no matter which country is involved. They are undoubtedly particularly worried over Chinese Communist achievement of this capacity because of the increase in Chinese power and therefore potentially in pressure by Peiping to involve Burma on its side in the cold war against the United States. We expect that the Burmese will continue to press for the entry of Communist China into the UN and other international agencies as a means of influencing and modifying China's policies. In this regard the RGUB will actively support any action designed to speed up the prospects for general and complete disarmament, including the cessation of nuclear testing and destruction of all nuclear weapons, and also the inclusion of China in conferences and other discussions to these ends.

Effect on RGUB Foreign Policy. Provided that Communist China does not develop into a nuclear threat quicker than we now anticipate, Burmese foreign policy should not significantly deviate from its present path, i.e., their striving to maintain a sincere, strict neutral and nonaligned stance and reduction of all foreign influences in Burma. Nevertheless, there will are some psychological compulsion for the Ne Win government to be even more be some psychological compulsion for the Ne Win government to be even more zealous in carrying out this policy and avoiding actions which China could interpret as being "unneutral."

Recommended U.S. Action. Burmese insistence that Communist China be admitted to the UN and to other organizations and discussions through which its policies might be moderated limits the efficacy of any diplomatic approaches we could make to the RGUB concerning controlling the Chinese Communist threat and Chinese Communist nuclear testing. Through USIA we can emphasize the dangers inherent in the proliferation of nuclear test capabilities and in atmospheric testing itself. We can also seek to minimize the importance of the Chinese Communist breakthrough by concentrating on the primitive stage of Chinese Communist nuclear development and on their lack of delivery capacity.

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Reactions to ChiCom Nuclear Explosion

# HONG KONG

Local Communist papers in Hong Kong played the news on page one under banner headlines, while pro-Taiwan newspapers gave the story reduced coverage, in many cases relegating it to inside pages. Editorial reaction to the Chinese detonation was pre-empted largely by the change of command in Moscow.

It is reasonable to presume that U.S. official reactions to CCNE (McNamara's October 22 or October 21 statement) are being carried in Hong Kong English-language and Hong Kong pro-GRC Chinese language press.

Itmis not advisable to have the Consulate General organize any special local program responding to CCNE, because this would tend to make local Chinese populace think that the US Government is more worried than we want them to think we are.

Reactions to ChiCom Nuclear Explosion

### VIET-HAM

There has been no formal GVN reaction except General Khanh's remarks at a press conference along the lines that explosion of such a device did not make Communist China a nuclear power.

Radio Hanoi expressed the pleasure of the DRV at the "great achievement" of technology in the Chinese People's Republic and described the event as a great contribution to protecting world peace.

A Pathet Lao radio broadcast picked up in Saigon reacted even ahead of Radio Hanoi in commenting on the "brilliant success of the Chinese People's Republic."

So far as I know the South Vietnamese Liberation Front has not yet reacted specifically to the explosion of the nuclear device. However, on October 17 the Embassy did report various signs of possible growth of Chinese influence within the Front, which included very heavy Front radio reporting on the Chicom National Day and on Chinese developments and activities in general.

Saigon press comment was divided between the line that detonation of the Chicom nuclear device had no great significance and the line that it would tend to increase Chicom bellicosity.

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S/VN:TJCorcoran

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Reactions to ChiCom Nuclear Explosion

### NEW ZEALAND

In a press statement made October 17 Prime Minister Holyoake said that the Chinese Communist nuclear test must be "unreservedly condemned" as violating world opinion and greatly increasing the risk of dissemination of nuclear weapons. He added that possession of nuclear weapons by the Chinese Communists would neither affect the world balance of power nor specifically change the military situation in Southeast Asia. Mr. Arnold H. Nordmeyer, leader of the opposition Labour Party, said that all lovers of peace would deplore the fact that the Chinese Communists exploded a nuclear device. He added that it is "regrettable that nations like China, with so much need for peace and internal progress, are devoting their resources and energy to the preparation of weapons of destruction."

The Chairman of the Wellington branch of the Committee for Nuclear Disarmament expressed dismay at the test but urged the "necessity" of giving Communist China a UN seat and recognition.

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Reactions to ChiCom Nuclear Explosion

### AUSTRALIA

In a statement issued October 18, Australian Minister of External Affairs Hasluck termed the Chicom detonation of a nuclear device "a depressing although not unexpected development." He said the device was almost certainly not an operational weapon and he concluded that it would be a long time before Communist China will be a nuclear power in any significant sense. Thus, there are no grounds for supposing that Communist China has achieved any significant change in its power position relative to that of Western countries. Other countries may be tempted to follow Communist China's example. However, Australia was one of the first countries to sign the nuclear test ban treaty and, in spite of disappointments, will continue to work for its acceptance by all countries, including Communist China.

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REACTIONS TO CHICOM NUCLEAR EXPLOSION

### MALAYSIA

Malaysian commentors generally consider the Chinese Communist nuclear explosion to be a momentous development that they regard with varying degrees of apprehension only slightly mollified by their understanding that Peiping is not yet a nuclear power due to the lack of a delivery system. The Chinese of Malaysia appear to be torn between concern over Communist success and pride in the achievement of the Chinese "motherland." Some comments from Chinese sources suggest that US attitudes toward this event reflects a prejudice against Asian achievements and membership in the nuclear club. The Malaysian Minister of Finance and others take some comfort in US and Soviet nuclear power as a deterrent to the Chinese Communists. There is also general concern about the impact of the success of Communist China on Indonesia and confrontation.

# Suggested Courses of Action

- 1) The US should stress its long standing policy of opposing nuclear proliferation from any quarter.
- 2) Reiterate US determination to defend freedom in Southeast Asia while making evident its ability to do so. This might include visits by US nuclear naval vessels to friendly ports in the area.
- 3) Possible visits by US experts to friendly SEA capitals to provide information to important leaders on the significance and potential of the Chinese Communist nuclear explosion.

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FE/SPA:ADMoscotti

Reactions to ChiCom Nuclear Explosion

# PHILIPPINE

We have no reports of comment by prominent Filipinos regarding the CPR testing of a nuclear device. Press reaction ranges from sardonic to serious and first reports indicated that treatment of the story was relatively restrained.

The respected Manila Bulletin commented that "if signs are lacking of undue concern over Red China's explosion of an atomic device, with a second one expected in the near future, the consensus appears to be that confidence in our defense posture has been heightened as a result of American commitments President Macapagal secured during his recent State Visit to the United States... There is no mistaking the salutary effect of confidence all around that with U.S. assistance we shall be able to cope with any situation requiring defensive action..."

Other newspapers carried stories to the effect that Manila would be safe from fall-out; that Russia is in the best position to restrain the CPR and prevent the spread of nuclear know-how; and that it is understandable that President Johnson appealed to the USSR for continued adherence to the test-ban treaty.

Prior to the explosion, our Charge called on Foreign Affairs Secretary Mendez and left with him a statement by Secretary Rusk on the possibility of a Chinese nuclear explosion, together with a copy of talking points on the subject prepared by the Political Section.

Recently, we have suggested to the Embassy that, in view of the test, it expedite an earlier proposal to brief Macapagal on the subject of Chinese nuclear capabilities, bearing in mind post-explosion authoritative comments emanating from Washington.

Widely publicized statements by President Johnson and Sccretary Rusk regarding the unequivocal nature of our commitment to defend the Philippines from any quarter, coming shortly before the explosion, were well-timed and probably have helped vitiate Philippine apprehensions.

We believe it would be useful in diminishing Philippine fears of China, heightened by the nuclear test, to keep our military commitment before them through frequent mention of it on an official level and through USIS out-put.

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Reactions to ChiCom Nuclear Explosion

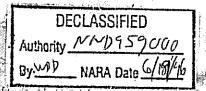
### INDONESIA

Public statements by Indonesian leaders have ranged from highly lauditory to relatively noncommittal. Abdulgani, Coordinator Minister for Public Relations, praised the test as proving that "Asians have capabilities equal to those of the West", asserted that the test would serve to halt Western encirclement of "the peoples of Asia and Africa", and held that a Chicom nuclear weapons could not be considered aggressive because only nuclear weapons in capitalist hands were aggressive. Foreign Minister Subandrio, on the other hand, stated that he believed the Chicom test would expedite the process of disarmament but that Indonesia was inclined to oppose nuclear explosions, especially when conducted near Indonesian territory.

The press has generally taken the lauditory Abdulgani line, welcoming the test as a proud example of Asian capabilities and a setback to the reactionary West. Subandrio's reserved statement has been played down.

Subandrio has told Ambassador Jones privately that he feels that Chicom test increases the need for Indonesia and other SEA countries to unite against the enhanced Chicom threat. He then took the familiar line that Malaysia would inevitably be dominated by the Chinese, and asserted that it was now even more necessary for Indonesia to crush Malaysia before this happened. Since he could not see the US defending Indonesia against the Chicoms, he believed Indonesia must defend itself and build its own alliances. (Ambassador Jones commented that, while Subandrio's comments can be largely discounted as a line for US consumption, he did believe the Chicom test might have a sobering effect on the Indonesians.)

Recommendations: We might take advantage of Subandrio's privately expressed fears to press the point that Indonesia, through such public statements as Abdulgani's, has moved far ahead of the rest of the non-communist world in glorifying the Chicom achievement, thereby publicly encouraging the very development Subandrio professes to fear. If, as Ambassador Jones surmises, the test actually will have a sobering effect on the Indonesians, this line might help to inject some moderation into their hitherto chiefly chauvanistic, anti-Westernreaction.



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Reactions to ChiCom Nuclear Explosion

### LAOS

There has been little reaction so far, the news of the ChiCom explosion being overshadowed by Khrushchev's downfall. Over the long-run, however, we can expect this development to cause considerable concern to non-Communist Lao who will see it as giving Communist China increased ability to intimidate its neighbors. The Pathet Lao, on the other hand, will welcome this development as further strengthening the Asian socialist camp. (We doubt, however, that in itself this will necessarily lead to an intensification of PL military activities in the near future.)

Prime Minister Souvanna Phouma and most non-Communist Lao see Communist China, and North Viet-Nam, as the main threats to Laos and Southeast Asia generally. At the same time they recognize that only the power of the United States prevents the greater advance of ChiCom influence into the area.

Aside from US Government statements on the significance of the ChiCom explosion, such as the President's address of October 18, no special action appears necessary in Laos to deal with the situation. Present U.S. policy of firm support for Souvanna and his government, together with evidence of the U.S. commitment in Southeast Asia, should continue to be our main answer to the threats from Peiping and Hanoi.

FE:SEA:GMBarbis